



BEE REAL ESTATE SAVVY



Las Vegas AGENT FORMULA

The Internet Formula For Las Vegas Agent Success

Agency Duties Owed #1, 3 & 6 CE.6655000-RE

NAC 645.4438 Approved courses: Award of certificate of completion and inclusion of name on roster of attendees. ([NRS 645.575](#))

1. To receive a certificate of completion for an approved course and have his or her name included on the roster of attendees which the sponsor of the course submits to the Division pursuant to paragraph (b) of subsection 4 of [NAC 645.455](#), a student must:

(a) Direct his or her attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction; and

(b) Refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class, including, without limitation, the use of cellular telephones, laptop computers, tablet computers or other electronic devices.



Learning Objectives –

- 1) The ‘Duties Owed’ form 525? How well do you know it now? **Would your last client agree with your answer?
- 2) If you had to explain it to a Judge/Jury...?
- 3) 4 Case Studies – in the Real World How would a *competent* agent handle these scenarios

How Well do you KNOW the ‘Duties Owed’ form?

A Quick Assessment/Quiz

- 1) The Duties Owed spells out the *types* of Agency in Nv.
T F
- 2) The Duty *before* the Duties...?
- 3) Provide the Form – To WHOM?
- 4) There are _____ duties to ‘All Parties’ and _____ duties to Clients
- 5) Duty #1 to All Parties is...(NRS 645.3205)
- 6) The language that moves ‘All Parties’ to ‘Clients’ is?
- 7) The difference between ‘Malfeasance & Misfeasance’ is?



The “Dharma” – the Purpose of the ‘Duties Owed’ form is to
SET *REALISTIC* expectations!

See appendix Form 525/Duties Owed

Let’s pretend – we spoke with your last client and asked them how well you explained the form – how well would they say you did?

The Duties Owed to ALL PARTIES

Licensee’s Duties Owed to All Parties:

A Nevada real estate licensee shall:

1. Not deal with any party to a real estate transaction in a manner which is deceitful, fraudulent or dishonest.
2. Exercise reasonable skill and care with respect to all parties to the real estate transaction.
3. Disclose to each party to the real estate transaction as soon as practicable:
 - a. Any material and relevant facts, data or information which licensee knows, or with reasonable care and diligence the licensee should know, about the property.
 - b. Each source from which licensee will receive compensation.
4. Abide by all other duties, responsibilities and obligations required of the licensee in law or regulations.

#1 – Tell the Truth! (NRS 645.3205)

#2 – Reasonable Care...*all parties*

Reasonable Care? The Nv. Law & Reference Guide states (among other things) “Reasonable care requires the licensee not to act in an irresponsible, careless or negligent manner.”

#3 – Disclosure about the PROPERTY (NOT the People!) – **including** *sources* of compensation

#4 – Abide by ALL applicable Laws (NRS 40?) & Regulations...

Duties to Clients

**Licensee's Duties Owed to the Client:**

A Nevada real estate licensee shall:

1. Exercise reasonable skill and care to carry out the terms of the brokerage agreement and the licensee's duties in the brokerage agreement;
2. Not disclose, except to the licensee's broker, confidential information relating to a client for 1 year after the revocation or termination of the brokerage agreement, unless licensee is required to do so by court order or the client gives written permission;
3. Seek a sale, purchase, option, rental or lease of real property at the price and terms stated in the brokerage agreement or at a price acceptable to the client;
4. Present all offers made to, or by the client as soon as practicable, unless the client chooses to waive the duty of the licensee to present all offers and signs a waiver of the duty on a form prescribed by the Division;
5. Disclose to the client material facts of which the licensee has knowledge concerning the real estate transaction;
6. Advise the client to obtain advice from an expert relating to matters which are beyond the expertise of the licensee; and
7. Account to the client for all money and property the licensee receives in which the client may have an interest.

Types of Agency Relationships allowed?

Single, Assigned/Designated, L.A.F.B.P. (NOT Dual!)

No Transaction Broker in this state (vicarious liability?).

Case Study #1

At the "Marketing Consultation" you ask the Seller why they want to move.

"Our neighbors raise Dogs – they are noisy and possibly vicious. We just don't feel safe here AND on top of that – we can't sleep – the Dogs bark all night long."

You are holding the property Open – a Buyer Prospect comes in (without representation) and asks the following:

- 1) **Is the High School safe?**
- 2) **Is this a quiet neighborhood (I work graveyard and sleep during the day).**



Case Study #2

While you are at the Listing Appointment – the Seller says, “Now that Mom passed – we don’t need this many bedrooms. We want to downsize so the kids don’t move back in. Do we have to disclose that Mom passed in the back bedroom?”

****What if you represent the Buyer? Can you disclose a death in the property? **Nv. Law & Reference Guide V-4 Pg. 109**

****What if you have both sides of the transaction?**

**NRS 40.770 LIMITATION ON LIABILITY OF
SELLER, SELLER'S AGENT AND BUYER'S AGENT
FOR FAILURE TO DISCLOSE CERTAIN FACTS
CONCERNING PROPERTY.**

1. Except as otherwise provided in subsection 6, in any sale, lease or rental of real property, the fact that the property is or has been:

(a) The site of a homicide, suicide or death by any other cause, except a death that results from a condition of the property;

(b) The site of any crime punishable as a felony other than a crime that involves the manufacturing of any material, compound, mixture or preparation which contains any quantity of methamphetamine; or

(c) Occupied by a person exposed to the human immunodeficiency virus or suffering from acquired immune deficiency syndrome or any other disease that is not known to be transmitted through occupancy of the property,

is not material to the transaction.





CASE STUDY #3 – YOU RECOMMENDED...?



Buyer Consultation –
The Buyer says they need a “Grant” to come up with the Down Payment.
You recommend THREE Lenders
Without your knowledge – they had submitted for a loan at their Credit Union
They do GET the “Grant” and you negotiate an additional \$3,000 (1%) in costs to be paid by the Seller.
Escrow closes – and NOW the Credit Union says “You are approved with ZERO closing costs and a 2.5% 30 year fixed rate.
Buyer Sues – “Malfeasance”?

Reasonable Care...



Buyer

Dates & Deadlines – There’s a ‘Form’

RESIDENTIAL PURCHASE TIMELINE AND CHECKLIST

Client	Property Address	Close of Escrow	
Day	Due Date	Event or Document	Completed Date
0		Residential Purchase Agreement (including any counteroffers) signed by and delivered to all parties. ("Acceptance"). RPA, Section 23.	
1 Business		Opening of Escrow and deposit Earnest Money Deposit. RPA, Section 5A, NAC 645.657.	
2 Business		Seller will turn on necessary utilities. RPA, Section 7.	
2 Business		Deadline for Seller to request the CIC documents that are required in NRS 116.4109 (resale package). RPA, Section 10.	
Business		Buyer to submit a completed loan application, authorize ordering an appraisal and furnish a pre-approval letter to Seller. RPA, Section 2A.	
Calendar		Deadline for Buyer to complete appraisal contingency. RPA, Section 2B. This time frame starts "following the date of Acceptance."	
Calendar		Deadline for Buyer to complete loan contingency. RPA, Section 2C. This time frame starts "following the date of Acceptance."	
Business		(Cash transaction) Buyer to provide written evidence from a bona fide financial institution of sufficient cash available to complete this purchase. RPA, Section 2D.	
5 Calendar		Deadline for Seller to provide the disclosures requested by Buyer. RPA, Section 11.	
Calendar		Deadline for Buyer to complete due diligence. RPA, Section 7. This time frame starts "following the date of Acceptance."	
10 Business		Within 10 business days of Opening of Escrow, Title Company shall provide Buyer with a Preliminary Title Report to review. RPA, Section 8C.	
Calendar		CIC has 10 calendar days from receipt of Seller's request to provide resale package to Seller. NRS 116.4109(3).	
Calendar		Buyer may cancel this agreement without penalty until midnight of the 5th calendar day following the date of receipt of the resale package. NRS 116.4109(2), RPA, Section 10. As of July 1, 2017, cancellation may be sent via electronic means.	
15 Calendar		If the Buyer does not receive the resale package within 15 calendar days of Seller's acceptance, the purchase agreement may be canceled. RPA, Section 10.	
15 Business		The preliminary title report (PTR) must be accepted or rejected by the Buyer within 5 business days of the receipt thereof. If the Buyer makes any objections to the PTR, the Seller has 5 business days to correct or address the objection. RPA, Section 8C.	
Calendar		Buyer is entitled to a walk-through of the Property. RPA, Section 13.	
		Close of Escrow. RPA, Section 5C.	

Residential Purchase Timeline and Checklist 10/17 ©2017 Greater Las Vegas Association of REALTORS®

The RPA states “Time is of the essence.” - that means – if the Seller has a backup offer that they like better than yours, and the Buyer misses a deadline – possibly the seller can cancel?

- **Clearly we do NOT give LEGAL ADVICE –**



- But what about –
- Good Schools, Safe Neighborhood, Noise, - Inspections and Inspectors, Golf Courses, Homeowners Insurance and Home Warranties, *stains* on the ceiling – mold, roof

Reasonable Care... Seller

**Did you provide a Marketing Plan?
Is it '*Calendar*' based.**

**What would you consider '*Good
Communication*'?**

**Does that match the Sellers
Expectation?**

**Does the Seller *think* that YOU are
going to bring the buyer?**

All Hurt Comes From – Violated Expectations



Case Study #4

**You listed a \$1.2 m property –
6 months – doesn't sell –
Client takes you to Commission
claiming you violated Duty #3 –
"Seek a Sale"
How do you defend yourself?**

**If all the agent did was, put up a sign,
put on a keysafe and put it in MLS...
AND, you were a Commissioner – do
you think that is "Reasonable skill?"
Malfeasance – you did something bad!
Misfeasance – you did something badly!**

Escalating Expectations



What do Sellers and Buyers want in their agent?

MOST IMPORTANT FACTORS WHEN CHOOSING AN AGENT

Exhibit 4-10

(Percentage Distribution)

AGE OF HOME BUYER

	All Buyers	23 to 31	32 to 41	42 to 56	57 to 66	67 to 75	76 to 96
Agent is honest and trustworthy	20%	25%	24%	19%	17%	16%	14%
Agent's experience	19	18	21	20	20	15	19
Reputation of agent	17	17	15	14	19	20	15
Agent is friend or family member	13	14	12	15	12	13	17
Agent's knowledge of the neighborhood	8	5	5	7	9	12	12
Agent has caring personality/good listener	6	6	6	7	5	6	4
Agent is timely with responses	6	8	6	6	6	4	4
Agent seems 100% accessible because of use of technology like tablet or smart phone	4	3	4	4	5	4	6
Agent's association with a particular firm	1	1	1	2	1	2	4
Active in local community/volunteerism	1	1	1	1	1	1	2
Professional designations held by agent	1	*	1	*	1	1	*
Other	4	2	4	6	4	5	4

Sellers - Honesty/Integrity



Buyers - Attribute or Skill?

AGENT SKILLS AND QUALITIES CONSIDERED 'VERY IMPORTANT'

Exhibit 4-11 (Percent of Respondents)

	AGE OF HOME BUYER						
	All Buyers	23 to 31	32 to 41	42 to 56	57 to 66	67 to 75	76 to 96
Honesty and integrity	97%	96%	97%	98%	98%	98%	95%
Responsiveness	95	94	95	95	95	92	89
Knowledge of purchase process	93	95	95	93	92	93	89
Knowledge of real estate market	92	93	92	94	93	90	90
Communication skills	88	90	90	86	89	84	78
Negotiation skills	83	81	83	83	82	79	73
People skills	79	77	80	79	81	78	75
Knowledge of local area	75	68	70	73	79	82	79
Skills with technology	45	40	41	42	50	49	52

WHAT BUYERS WANT MOST FROM REAL ESTATE AGENTS

Exhibit 4-5 (Percentage Distribution)

	AGE OF HOME BUYER						
	All Buyers	23 to 31	32 to 41	42 to 56	57 to 66	67 to 75	76 to 96
Help find the right home to purchase	52%	49%	48%	53%	55%	58%	51%
Help buyer negotiate the terms of sale	13	16	16	13	13	11	10
Help with the price negotiations	11	11	12	10	11	9	9
Help with paperwork	8	10	9	8	5	9	10
Determine what comparable homes were selling for	6	5	6	6	6	6	8
Help determining how much home buyer can afford	4	4	4	3	2	1	2
Help find and arrange financing	3	2	2	3	2	2	4
Help teach buyer more about neighborhood or area (restaurants, parks, public transportation)	2	1	2	1	2	1	1
Help find renters for buyer's property	*	*	*	*	*	*	1
Other	2	2	2	3	3	2	4

*Less than 1 percent



What can we learn from



How you say it matters!

----- *brown?*

----- *green?*

- ****References:**

7 Habits of Highly Effective People Steven Covey

Words That Work Frank Luntz (Presidential Speech
Writer)

Influence – the Psychology of Persuasion – Robert Cialdini –

See also his next book Persuasion



Zillow Talk Spencer Rascoff

Hot Button Marketing – Barry Feig (there are 16)

Getting to YES – Fisher & Ury (WCR Negotiation)

Never Split the Difference – Chris Voss

Waiting for Your Cat to Bark – Brian & Jeffrey Eisenberg

Winning Through Intimidation – Robert Ringer

The E-Myth – Michael Gerber

****Free Newsletters – 5 Bullet Friday by Tim Ferris**

Abundance Insider by Peter Diamandis

**Recap?
What have
you
learned?**

